If that happens, then there will be less oil on the market, not more. The price will be higher, not lower. The energy will be more scarce, not less. Because of these policies that have come forth in the beginning of this 110th Congress, we see the action that has taken place here. We see what has happened from the very first day, Mr. Speaker, of the new 110th Congress, the day that NANCY PELOSI took the gavel, and it became clear that there was going to be an energy scarcity policy. Gas went from $2.33 over 15 months to over $3.51 a gallon, perhaps more than that today. That is a 50 percent increase in just 15 months. I have stipulated the reasons for that. Energy is more scarce, it's less certain. This economy is also in a decline.

It's interesting to me that I don't hear a lot of discussion about the real reasons for that, Mr. Speaker. I look at it this way. When the new hands took over and picked up the gavels here to be chairs of the committees in Congress, in the House and the Senate, and we had the chairman of the Ways and Means Committee, Mr. RANGEL, from New York, who a long time had waited to become chairman of the Ways and Means Committee, we had pushed pretty hard to make the Bush tax cuts permanent, those tax cuts that slowly the authorization expires and will automatically kick in as dramatic tax increases in the next couple of years. I watched as the chairman of the Ways and Means Committee went on the talk show circuit all over television, and I presume radio too, and he was constantly asked by the pundits, What will you do with the Bush tax cuts? Will you make them permanent?

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Are there some there that you will commit right now that you will want to save and protect of those tax cuts, or will you just simply want to see them all expire and have that automatic, huge, unprecedented record tax increase?

Well, the chairman didn't address that subject matter, by my recollection, one at a time or in groups. But eventually as he did enough of the talk show circuits, the talk hosts would ask the question, and by a process of elimination, the capital investment in America pretty much concluded that no part of the May 28, 2003, Bush tax cuts would the chairman of the Ways and Means Committee want to see made permanent.

Capital saw that and realized that by about late January-early February of 2007, just about the time gas prices started to shoot up here, Mr. Speaker. That is the time that the capital investment of America understood that capital was going to be more expensive, because the Bush tax cuts were not going to stay or be made permanent.

When capital gets more expensive and it is looking down the line, it tightened things up. And you can go back and look at the record, Mr. Speaker. You saw industrial investment decline indexed directly to the period of time that NANCY PELOSI became Speaker, CHARLIE RANGEL became the chairman of the Ways and Means Committee, and that gas began to shoot almost straight up here on this chart, going on to its 50 percent increase in prices over a 15-month period of time.

At that same time, capital got more expensive, and because of that more expensive capital, industrial investment declined. That was the first indicator that we were going to have an economic problem on our hands. That was the lack of investment in industry that led all of this. Along behind it came the subprime mortgage component of it, which in the grand scheme of things isn't as big a hit on our economy as the higher gas prices.

Then, as ADAM SMITH said, there are two components to the price of everything. One is the cost of the labor and the other is the cost of the capital. The capital price went up, then the cost of goods and services went up, and capital investment went down.

We can expect this decline in our economy because of a number of things: Energy prices are skyrocketing because the policies that are coming out of this Congress are taking energy off the market, and capital prices are going up because the tax cuts are unlikely to be made permanent between now and 2010. So automatically those tax increases will kick in, and the investment markets see that.

Those are the reasons that are watching this economy decline today. The subprime is a small part of it. But it is such a small part of it, when you think of what the subprime really is, it is about a $150 billion loss. We will burn about 142 billion gallons of gasoline. Those 142 billion gallons of gasoline, $1 a gallon for one year would pay for the subprime.

So let's keep our rules straight. Let's understand we can't suspend the laws of supply and demand. Let's put some energy on the market. That includes conservation.

REASONS FOR ENERGY AND FOOD CRISES FACING AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Minnesota (Mr. WALZ) is recognized for 28 minutes.

Mr. WALZ of Minnesota. Thank you for this opportunity to speak on the floor and to give this Chamber a demonstration of what is so great about this country. The previous gentleman's district actually borders mine, but you may not find a more diametrically opposed view of what is happening in this country than you may get in the next 28 minutes.

You hear a lot of statistics and you hear a lot things thrown out. You hear a lot of economists talking about different things. The one thing I have found, and I think maybe it comes from being new to this business of politics, coming from a high school classroom, coming out of what most middle class Americans are experiencing is, is that many of those things do not matter to people.

What matters to them is the reality in their everyday lives. And that reality doesn't take a whole lot of background from them. It doesn't take a whole lot of statistics. It doesn't take a whole lot of anything, other than for them to make some simple judgments.

One of those judgments that the American public is going to ask themselves, and they are going to get to ask themselves in November, after 12 straight years of Republican control of the House of Representatives, after 6 years of total control of both branches of the legislative procession, the American people got a chance to see by the fall of 2006 the direction that those policies had taken us in.

In watching that, they made a decision come November. They chose about 45 new Members of this body, many of them without elected office experience, but many of them who came from the ranks of middle class working people, many of them like myself that never had a salary over $50,000. Teaching for 18 years, my salary when I left my teaching position was $48,000 a year. My insurance costs coming off the top of that were $7,200 a year, and then the taxes that came after that.

One of the things the American public will ask is, were they better off before that time when President Bush and the Republican-controlled Congress took over, or were things going in the wrong direction? Were decisions made that were affecting their lives negatively, and what were those decisions doing to them?

What was happening, as you saw the previous speaker talk about, what was happening to the price of fuel? Why was gas going up and who was benefiting from it? Why was the cost of their produce, why was the cost of groceries going up, and who was benefiting from that? What was happening to the cost of tuition? What was happening to their paycheck? What was happening to insurance costs?

Those were questions that they don't get to stand here and theoretically talk about and come up with some cute alliteration that I always hear. My colleagues are wonderful at the alliteration, and somewhat weak on the policy that impacts people's lives.

So as I listened this week and I watched a concerted effort, and one of the magazines on Capitol Hill wrote about that our friends in the minority have decided they are going to try and pin the energy policies on the new majority, understanding that President Bush will veto any attempt we make to change policy.

The policies that we are operating under in this economy are the ones that were put into place by the minority and put into law by the President.